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AMENDMENT OF OIL, GAS AND MINERAL LEASE ("AMENDMENT")

THE STATE OF TEXAS §
§
COUNTY OF TARRANT §

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, that certain unrecorded Oil and Gas Lease ("Lease") dated effective February 28, 2008, was entered into by and between Mansfield Ervin Minerals, Ltd., as Lessor and Llano Royalty, Ltd., as Lessee covering 109.8665 acres of land, ("Lands") more or less, out of the J. Grimsley Survey, A-578, in Tarrant County, Texas, a Memorandum of which is recorded in Instrument No. 208216145 of the Real Property Records of Tarrant County, Texas.

WHEREAS, Carrizo Oil & Gas, Inc., 1000 Louisiana Street, Suite 1500, Houston, Texas 77002, has acquired the leasehold ownership interest in the Lease, is the Operator of record approved by the Railroad Commission, and is the successor Lessee to Llano Royalty, Ltd. Carrizo, as the current Lessee, has requested that Lessor amend certain contractual terms and provisions set forth in the Lease to entice Carrizo to conduct drilling operations to drill a horizontal Barnett Shale well or wells on the Lands and Lessor agrees to execute and deliver the requested amendments.

NOW THEREFORE, for Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the undersigned Lessor does hereby amend the terms and provisions set forth in the Lease, as follows:

I.

Notwithstanding any terms and provisions to the contrary contained in the Lease, the Lease is hereby amended to provide as follows:

Proration Unit - Amendment No. 1

The term "Proration Unit", as used in this Lease, shall include any proration unit, pooled unit designated by Lessee as permitted hereunder, or productive acreage designation filed with the Texas Railroad Commission as depicted on the plat attached to the Railroad Commission's Form P-15.

II

Notwithstanding any terms and provisions to the contrary contained in the Lease, the Lease is hereby amended to provide as follows:

Shut-In - Amendment No. 2

Paragraph 3.7 of the Lease, entitled SHUT-IN ROYALTY PAYMENTS is deleted in its entirety, and the following is substituted therefor:

3.7 Shut-in Royalty. After the Primary Term, or any time thereafter, if there is a gas well or wells on this Lease or on lands pooled with the Land capable of producing in paying quantities, but gas is not being sold for a period of sixty (60) consecutive days, and this Lease is not otherwise being maintained, Lessee shall pay or tender on or before the expiration of the 60 day period an annual shut-in royalty of \$75.00 per net mineral acre then covered by this Lease. Payment with respect to a well or wells will be due within 60 days after the later of (i) the date all wells are shut-in, or (ii) the date this Lease is not otherwise being maintained. Thereafter, while such well or wells remains shut-in, Lessee shall make like shut-in payments or tenders at annual intervals on or before the anniversary of the date the first payment is due. While shut-in royalty payments are timely and properly paid, this Lease shall be considered as producing in paying quantities for all purposes of this Lease. The obligation of Lessee to pay shut-in royalty is a condition and not a covenant. The payment or tender of royalty under this paragraph may be made by the check of Lessee mailed or delivered to the parties entitled thereto on or before the due date. Lessee may exercise its right to make shut-in royalty payments as provided for herein from time to time. Notwithstanding anything herein to the contrary, this Lease shall not be maintained by shut-in royalty payments for any one shut in period of more than two (2) consecutive years or three (3) years of cumulative time during which all wells are actually and physically shut in within a ten year period.

Notwithstanding anything to the contrary contained in this Lease, at the option of Lessee, which may be exercised by Lessee giving notice to Lessor, a well which has been drilled and Lessee intends to frac (and is a well which a reasonable prudent operator would frac under good oilfield practices and taking into account all geological, geophysical and engineering information known to Lessee), shall be deemed a well capable of producing in paying quantities and the date such well is shut-in shall be when the drilling operations are completed. However, if Lessee has landed and cemented its production casing in a well or wells drilled, then Lessee shall have an additional period of six months from the date the completion rig is released from the last of such well or wells in which to commence gas sales before being obligated to begin shut-in payments.

Notwithstanding anything to the contrary contained in this Lease, should a shut-in royalty payment not be properly made in a timely manner as provided for in this Lease, unless there is then in effect another applicable preservation provision of this Lease, Lessor may, at Lessor's option, elect to terminate the applicable portion of this Lease by sending written notice to Lessee by certified mail. Lessee shall then have thirty (30) days from the date of service of such written notice in which to avoid termination of the applicable portion this Lease by making or causing to be made the proper shut-in royalty payment. If such shut-in royalty payment is not made on or before the expiration of said 30 day period, or written approval is not obtained from Lessor to defer such payment, Lessor may elect to terminate the applicable portion of this Lease by filing a valid Notice of Termination with the County Clerk in the county where the Land is located. The effective date of said termination shall be the date said valid Notice of Termination is filed with the said County Clerk.

III.

Notwithstanding any terms and provisions to the contrary contained in the Lease, the Lease is hereby amended to provide as follows:

Force Majeure - Amendment No. 3

The class of events that constitute and are defined as a "force majeure" as set forth in paragraph "4. **FORCE MAJEURE**" shall include inability to obtain a satisfactory market for production or failure of purchasers or carriers to take or transport such production, or the failure of Lessee to market or transport gas because of pipeline delays beyond the reasonable control of Lessee. The operation of an event of force majeure shall not excuse or cause a delay in the obligation to pay money hereunder.

Force Majeure - Amendment No. 4

Section 4.b.(2) of the Lease provides as follows: "If the force majeure shall occur during a ninety (90) day drilling or reworking period as provided in this Lease, after the Primary Term has expired, then it shall not operate to extend the Lease for more than one (1) year beyond the expiration of such ninety (90) day period." This provision shall be amended by deleting this language and replacing it with the following provision, "If the force majeure shall occur during a ninety (90) day drilling or reworking period as provided in this Lease, after the Primary Term has expired, then it shall not operate to extend the Lease during any one event constituting a force majeure for more than one (1) year beyond the expiration of such ninety (90) day period."

Force Majeure - Amendment No. 5

The obligation of Lessee to file a Drilling Permit no later than July 31, 2008 as set forth in Section 4.b.(4) of the Lease is hereby extended until the close of business occurring on September 1, 2008.

IV.

Notwithstanding any terms and provisions to the contrary contained in the Lease, the Lease is hereby amended to provide as follows:

Pooling – Amendment No. 6

Notwithstanding the prohibition against pooling set forth in Paragraph 5. of the Lease, Lessee hereby agrees that Lessee shall have the pooling authority set forth as follows.

Pooling Limitations: In the event Lessee pools any of the Leased Premises, Lessee may not include less than all of the Leased Premises in such pool or unit without the prior written consent of Lessor which shall not be unreasonably delayed or withheld. In addition, Lessee agrees not to pool any of the Leased Premises with other lands unless the surface location of the physical Operations Site (defined below) is located upon the surface of the Leased Premises. No pool or unit created under authority of this Section 5

shall exceed one hundred sixty (160) acres in size unless Lessee has drilled or is drilling a horizontal drainhole well for which some portion of the completion interval is located on or under premises other than the Leased Premises. In addition, once a pooled unit is formed or designated under authority hereof, Lessee shall not have the right to redesignate or reform such pooled unit to include additional lands unless Lessee has drilled or is drilling an additional well or wells into portions of the additional acreage pooled by such pooled unit reformation or redesignation.

Pooling Authority: Subject to the pooling limitations expressly stated above, Lessee shall have the right, but not the obligation to pool all or any part of the leased premises or interest therein with any other lands or interests, as to any or all depths or zones, and as to any or all substances covered by this lease, either before or after the commencement of drilling or production whenever Lessee deems it necessary or proper to do so in order to prudently develop or operate the leased premises. The creation of a unit by such pooling shall be based on the following criteria (hereinafter called "pooling criteria"): A unit for an oil well (other than a horizontal) shall not exceed 40 acres plus a maximum acreage tolerance of 10%, and for a gas well or a horizontal completion shall not exceed 640 acres plus a maximum acreage tolerance of 10%; provided that a larger unit may be formed for an oil well or gas well or horizontal completion to conform to any well spacing or density pattern that may be prescribed or permitted by any governmental authority having jurisdiction to do so. For the purposes of the forgoing, the terms "oil well" and "gas well" shall have the meanings prescribed by applicable law or the appropriate governmental authority, or if no definition is so prescribed, "oil well" means a well with an initial gas-oil ratio of less than 100,000 cubic feet per barrel and "gas well" means a well with an initial gas-oil ratio of 100,000 cubic feet or more pre barrel, based on a 24-hour production test conducted under normal producing conditions using standard lease separator facilities or equivalent testing equipment; and the term "horizontal completion" means an oil or gas well in which the horizontal component of the gross completion interval in the reservoir exceeds the vertical component thereof. In exercising its pooling rights hereunder, Lessee shall file of record a written declaration describing the unit and stating the effective date of pooling, and shall contemporaneously with such filing serve a copy of such declaration upon Lessor and upon Lessor's counsel. Production, drilling or reworking operations anywhere on a unit which includes all or any part of the leased premises shall be treated as if it were production, drilling or reworking operations on the leased premises, except that the production on which Lessor's royalty is calculated shall be that proportion of the total unit production which the net acreage covered by this lease and included in the unit bears to the total gross acreage in the unit, but only to the extent such proportion of unit production is sold by Lessee. In the event a unit is formed hereunder before the unit well is drilled and completed, so that the applicable pooling criteria are not yet known, the unit shall be based on the pooling criteria Lessee expects in good faith to apply upon completion of the well; provided that within a reasonable time after completion of the well the unit shall be revised if necessary to conform to the pooling criteria that actually exists. Subject to the pooling limitations set out above, -pooling in one or more instances shall not exhaust Lessee's pooling rights hereunder and Lessee shall have the recurring right but not the obligation to revise any unit formed hereunder by expansion or contraction or both, either before or after commencement of production, in order to conform to the well spacing or density pattern prescribed or permitted by the governmental authority having jurisdiction, or to conform to any productive acreage determination made by such governmental authority. To revise a unit hereunder, Lessee shall file of record a written declaration describing the revised unit and stating the effective date of revision, and shall contemporaneously serve a copy upon Lessor and Lessor's counsel. In the absence of production in paying quantities from a unit, or upon permanent cessation thereof, Lessee may terminate the unit by filing of record a written declaration describing the unit and stating the date of termination. Pooling hereunder shall not constitute a cross-conveyance of interests.

V.

Notwithstanding any terms and provisions to the contrary contained in the Lease, the Lease is hereby amended to provide as follows:

Release Clause- Amendment No. 6

The retained acreage language set forth on page 10 of the Lease under subpart b. of paragraph 7. RELEASE CLAUSE states as follows:

"the Proration Unit for any well completed as a commercial well producing from the Barnett Shale formation shall be limited to a maximum of twenty (20) acres, unless such well was drilled as a Horizontal Drainhole Well under Rule 86 of the Railroad Commission of the State of Texas, in which case the Proration Unit for such well shall equal twenty (20) acres plus the additional acreage listed in the table of Rule 86 for fields with a density rule of forty (40) acres or less and Lessee shall release all acreage not included in a Proration Unit."

The above provision is hereby amended by deleting the language set forth in the provision above and replacing it with the following language:

"the Proration Unit for any well completed as a commercial well producing from the Barnett Shale formation shall be limited to a maximum of twenty (20) acres, unless such well was drilled as a

Horizontal Drainhole Well under Rule 86 of the Railroad Commission of the State of Texas, in which case the Proration Unit for such well shall equal twenty (20) acres an additional 20 acres for each 515 foot of horizontal lateral drilled through the Barnett Shale and Lessee shall release all acreage not included in a Proration Unit.”

VI.

Notwithstanding any terms and provisions to the contrary contained in the Lease, the Lease is hereby amended to provide as follows:

Well Location – Amendment No. 6

Subpart b. of Paragraph 9., Well Location and Surface Clauses, shall be amended by deleting the referenced provision in its entirety and replacing it with the following language:

“Notwithstanding any provisions to the contrary set forth in either that certain Surface Waiver, Surface Use, Subsurface Use and Easement Agreement dated effective February 28, 2008, or that certain Frac Pit Agreement executed March 14, 2008 both of which are executed by Robert Ervin, Billy Wayne Ervin and wife, Sandra Ervin, Faye Ervin, and John Will Ervin, all individually, and John Will Ervin, as Manager of EPAR GP, LLC General Partner of Mansfield Ervin Minerals, Ltd., as Grantor and delivered to Llano Royalty, Ltd., as Grantee, who has been succeeded by Carrizo Oil & Gas, Inc., Lessee agrees that prior to conducting actual drilling operations upon the Leased Premises, Lessee will provide Lessor with a drilling and development plan for the Leased Premises, which shall locate on a survey or map of the Leased Premises the proposed well locations to be drilled and developed by Lessee and the proposed unit or units to be drilled from the “Operation Site” (also referred to herein as the “Drillsite”) which shall be defined as the acreage and location identified on the City of Mansfield Ordinance No. 1611 Exhibits attached to this Lease as Exhibits “C” and “D” (“Ordinance Exhibits”). Lessee shall apply for a drilling permit with the City of Mansfield, Texas to permit the drilling of a first well to be drilled in accordance with and at the location set forth in the Drilling Permit on or before the close of business occurring on September 1, 2008. Subject to the provisions and restrictions of Mansfield Ordinance No. 1611, Lessee must obtain the written consent of Lessor in the event Lessee intends to utilize more acreage for the Operation Site than an area measuring more than 325 feet square.. Lessee must also obtain Lessors consent in the event Lessee intends to use, in addition to the Operation Site, more than 2.5 acres to construct a temporary frac pit. After the drilling and completion operations are finished, the Operation Site and frac pit area shall be reduced to an Operation Site measuring approximately 225 feet by 225 feet square which Lessee may utilize to conduct its production, drilling and reworking operations. Lessee may drill additional (on lease or off lease) wells from the drillsite location for the first well described above. In the event Lessee requires more of the surface of the Leased Premises for its operations during drilling and completion than set forth herein, then Lessee shall make a written request of Lessor and the Surface Owner which includes a survey plat depicting the additional surface needed for Lessee’s operations. If the Surface Owner approves the use of such additional portions of the surface, and such use causes a loss of residential use or impairment, or other damage or injury Lessee shall compensate Surface Owner for such reasonable losses. Lessee agrees to complete its drilling operations upon the Leased Premises and reduce the Operations Site as provided herein within 48 months of the date of this Lease.”

VII.

Notwithstanding any terms and provisions to the contrary contained in the Lease, the Lease is hereby amended to provide as follows:

Pipeline Construction – Amendment No. 7

The first two sentences of paragraph 10., Pipeline Construction, shall be amended by deleting the language and replacing it with the language contained in the following two sentences:

“Prior to constructing any pipeline or pipelines on the Leases Premises, Lessee shall submit to Lessor Lessee’s plan for the location of any such pipelines. Lessor and Lessee shall work together to establish an acceptable pipeline route from the well/s to the boundary of the Leases Premises. Lessor and Lessee agree that the pipeline route shall be reasonably located along the boundaries of the Leased Premises, shall not traverse the interior portions of the Leased Premises, and shall be oriented in a manner that will cause the least reasonable interference with the potential commercial development of the surface of the Leased Premises.”

This Amendment may be executed in multiple counterpart each of which shall be deemed an original and all of which together shall be deemed to be one and the same Amendment. This Amendment may be executed and when an original signature of the document is forwarded by email, email scan, telefax or otherwise, the signature is intended to be and may be relied upon as the original signature of the relevant party.

Other than the foregoing amendments, the Lease shall continue in full force and effect.

Executed and effective this the 29 day of July 2008.

LESSOR:

Mansfield Ervin Minerals, Ltd.,
A Texas Limited Partnership,

John Will Ervin
John Will Ervin, President of EPAR GP, LLC,
a Texas Limited Liability Company,
as General Partner on behalf of Mansfield Ervin Minerals, Ltd.
a Texas Limited Partnership

RATIFIED BY:

Robert L Ervin
Robert Ervin

Billy Wayne Ervin
Billy Wayne Ervin

Sandra Ervin
Sandra Ervin

Faye Ervin
Faye Ervin

John Will Ervin
John Will Ervin

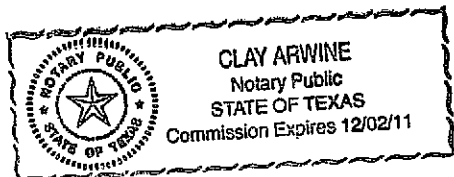
LESSEE:

Carrizo Oil & Gas, Inc.

Andrew R. Agosto
By: Andrew R. Agosto
~~Authorized Officer~~ Vice President

THE STATE OF TEXAS §
COUNTY OF TARRANT §

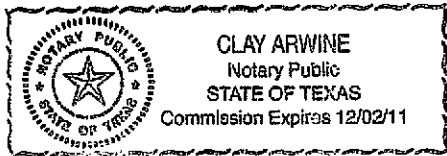
This instrument was acknowledged before me on the 29 day of July, 2008 by John Will Ervin, President of EPAR GP, LLC, a Texas Limited Liability Company, as General Partner on behalf of Mansfield Ervin Minerals, Ltd., a Texas Limited Partnership executed and delivered in the stated capacity on behalf of the General Partnership.



Clay Arwine
Notary Public in and for The State of Texas
Clay Arwine
Printed Name of Notary:
My Commission Expires: 12-2-11

THE STATE OF TEXAS §
COUNTY OF TARRANT §

This instrument was acknowledged before me on the 29 day of July, 2008 by Robert Ervin.

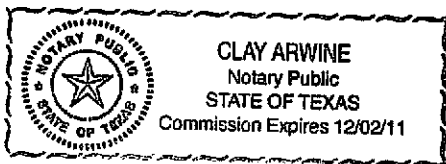


Clay Arwine
Notary Public in and for The State of Texas

Printed Name of Notary: Clay Arwine
My Commission Expires: 12-2-11

THE STATE OF TEXAS §
COUNTY OF TARRANT §

This instrument was acknowledged before me on the 29 day of July, 2008 by Billy Wayne Ervin.

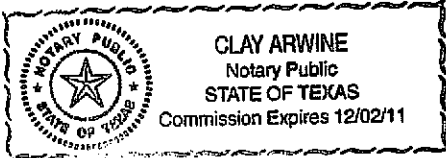


Clay Arwine
Notary Public in and for The State of Texas

Printed Name of Notary: Clay Arwine
My Commission Expires: 12-2-11

THE STATE OF TEXAS §
COUNTY OF TARRANT §

This instrument was acknowledged before me on the 29 day of July, 2008 by Sandra Ervin.

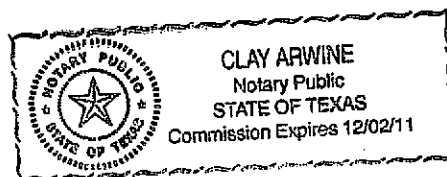


Clay Arwine
Notary Public in and for The State of Texas

Printed Name of Notary: Clay Arwine
My Commission Expires: 12-2-11

THE STATE OF TEXAS §
COUNTY OF TARRANT §

This instrument was acknowledged before me on the 29 day of July, 2008 by Faye Ervin.

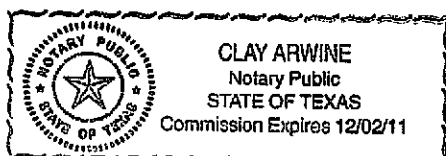


Clay Arwine
Notary Public in and for The State of Texas

Printed Name of Notary: Clay Arwine
My Commission Expires: 12-2-11

THE STATE OF TEXAS §
COUNTY OF TARRANT §

This instrument was acknowledged before me on the 29 day of July, 2008 by John Will Ervin.



Clay Arwine
Notary Public in and for The State of Texas

Printed Name of Notary: Clay Arwine
My Commission Expires: 12-2-11

THE STATE OF TEXAS

COUNTY OF HARRIS

This instrument was acknowledged before me this 07th day of AUGUST, 2008 by Andrew R. Agosto, as Vice President of Carrizo Oil & Gas, Inc. for the stated consideration and in the stated capacity, on behalf of the Corporation.

MY COMMISSION EXPIRES

4-12-11



Notary Public in and for The State Of Texas

